

Friday, February 12, 1954

# Daily Digest

## HIGHLIGHTS

Mexican farm labor recruitment bill reported by House committee.  
See Congressional Program Ahead.

## Senate

### Chamber Action

The Senate was not in session today. Its next meeting will be held on Monday, February 15, at 12 noon.

### Committee Meetings

No committee meetings were held.

## House of Representatives

### Chamber Action

**Bills Introduced:** 38 public bills, H. R. 7839-7876; 16 private bills, H. R. 7877-7892; and 8 resolutions, H. J. Res. 373-375, H. Con. Res. 200, and H. Res. 441-444, were introduced.

Pages 1598-1599, 1614-1615

**Bills Reported:** Reports were filed as follows:

H. R. 3413, granting oil and gas in lands on the Fort Peck Indian Reservation, Mont., to individuals in certain cases, amended (H. Rept. 1198); and

H. J. Res. 355, relative to the supplying of agricultural workers from the Republic of Mexico (H. Rept. 1199).

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**Summons:** Adopted H. Res. 441, approving special appearances of certain House Members and authorizing action with respect thereto as directed by chairman of the Judiciary Committee in response to summons issued by the United States District Court for the Eastern District of Michigan, Southern Division.

Pages 1597-1599

**Private Bill:** Complied with request of the Senate for the return of H. R. 4254, a private bill.

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**Bills Referred:** Seven Senate-passed bills were referred to appropriate committees.

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**Program for Tuesday:** Adjourned at 2:07 p. m. until Tuesday, February 16, at 12 o'clock noon; for program see Congressional Program Ahead in this DIGEST.

### Committee Meetings

#### MEXICAN FARM LABOR

*Committee on Agriculture:* Voted to report to the House H. J. Res. 355, amending the act of 1951 relating

to recruitment of agricultural workers from the Republic of Mexico.

#### RIVERS AND HARBORS

*Committee on Public Works:* Representative Reams, of Ohio, discussed the Toledo Harbor project before the Angell subcommittee today. This subcommittee has been conducting a series of hearings regarding authorizations which have been reported on favorably by the Corps of Engineers since passage of the River and Harbor Act of 1950. Col. W. D. Milne of the Corps of Engineers explained the project, and the following witnesses presented their views—Adm. Lyndon Spencer, Toledo, Ohio, president of the Lake Carriers Association; Leslie Phal, president, Toledo Port Commission; and Norman Drulard, Toledo's acting harbor master. Recessed until February 24.

#### GENERAL TAX REVISION

*Committee on Ways and Means:* Agreed to the following substantive changes in excise taxes on tobacco and alcoholic beverages in today's executive session—

Adopted a substantially revised codification of the excise taxes on distilled spirits, beer, wine, cigarettes, and cigars and other excise taxes related to alcoholic beverages and tobacco. The committee made no changes in the present rates of tax. The administrative provisions relating to the excise taxes on tobacco have not been revised since 1868 and those relating to alcoholic beverages in large measure represent a reenactment of the preprohibition era. One of the most important changes of the committee was to delete obsolete provisions, some 22 of the old sections having been omitted, primarily for this reason. The committee has also removed many of the numerous record-keeping requirements of the present law and conformed those which were retained to modern commercial techniques. It is anticipated that the changes made by the committee in these excise taxes on alcoholic beverages and tobacco will substantially

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reduce both the Government's administrative, and the industry's compliance, costs.

1. *Use of returns for payment of tax.*—Probably the single most important change made by the committee was the adoption of provisions for the alcoholic beverage and tobacco taxes providing for the payment of these taxes by returns rather than by the purchase of stamps. The new provisions provide for the payment of these taxes by returns under a system to be worked out by regulations as provided by the Secretary or his delegate. This new system will be put into effect as soon after January 1, 1955, as it is possible. The period of time for which the returns are filed also will be determined by regulations. This involves some period of deferral of payment, the length of this period depending on what the Government's fiscal condition permits. The use of stamps will be continued but these will no longer be indicative of the payment of tax but rather that a tax has been determined to be due.

2. *Tobacco taxes.*—Some of the more important changes in the tobacco tax administrative provisions include: (a) The removal from the statutes of the existing detailed provisions relating to the quantities of tobacco and snuff and number of cigarettes and cigars which may be packaged together and requirements as to labels, notices, and stamps. Instead these matters are to be governed by regulation. This will make it possible to provide for packaging of tobacco products in more convenient quantities or numbers, including the packaging of single cigars as gifts; (b) the elimination of the special requirements and penalties in existing law relating to tobacco peddlers. For the few of such individuals in existence the regular provisions relating to retailers are adequate; (c) the elimination of the detailed and voluminous provisions in existing law as to the making of reports, the keeping of special books, and the recording of inventories. To provide flexibility the provision of record-keeping will be left to regulations which will provide for making use of the establishments' regular commercial records to the maximum extent possible; and (d) a revision of the penalties relating to the tobacco taxes to modernize them, simplify them, make them more uniform and make them more appropriate to the offense.

3. *Beer.*—The changes made in the administrative provisions relating to the excise tax on beer include: (a) Authorization to

use brewery premises for purposes other than the brewing of beer where the Secretary determines this will not jeopardize the revenues and permission is given specifically for the bottling of soft drinks. This will result in greater economy in the use of facilities; (b) the authorization of the drawback of tax on tax-paid beer which is exported. This privilege is presently available in the case of distillers, winemakers, and tobacco producers; (c) the authorization of refunds or credits of the tax on beer belonging to a brewer and returned to the brewery or destroyed (whether or not unfit for consumption). This is also to be available where the beer is lost by casualties (such as floods) other than theft; (d) the authorization for a brewer owning two or more breweries to remove beer untaxed from one plant to another in accordance with regulations to be provided by the Secretary; and (e) the removal from the code of detailed record-keeping requirements and permitting the Secretary to determine by regulation what records are to be kept.

4. *Distilled spirits.*—The administrative provisions relating to distilled spirits have been reorganized and simplified to some extent. Further study, however, will be given in the future to simplification in this area. Apart from reorganization of this material the changes made by the committee include: (a) Authorization of the use of distillery premises for purposes other than distilling where this other use is approved by the Secretary or his delegate; (b) the waiving of the filing of reports, in whole or in part, where these are no longer found to serve any useful purpose; (c) authorization for no payment of tax for distilled spirits voluntarily destroyed by the distiller or other person responsible for the payment of tax; (d) authorization of the use of tank trucks as a permissible means of transporting distilled spirits; and (e) simplification of the existing export requirements making them more flexible and adaptable to modern conditions. The existing provisions in this area had not been revised for the last 50 or 70 years.

5. *Wines.*—The administrative provisions relating to wines are revised to align them with modern production methods and practices and numerous unnecessary restrictions have been removed.

Committee adjourned until Monday morning.

## CONGRESSIONAL PROGRAM AHEAD

## Senate Chamber

(Week of February 15-20)

On Monday and throughout the week (during periods when Senate has temporarily put aside the unfinished business, S. J. Res. 1, constitutional amendment on treaties), Senate will consider H. R. 6025, a private bill (the pending business), to be followed by S. 1857, 1063, 1461, 1691, 2231, 796, 2404; H. R. 3704, 5976, 6025, and six private bills (S. 56, 59, 101, 389; H. R. 2351, and 685).

## Senate Committees

*Committee on Agriculture and Forestry:* February 15, on S. 2549, improvement of soil conservation works, to hear Gen. S. D. Sturgis, Chief of Army Engineers, 10 a. m., 324 Senate Office Building;

February 17, executive, on committee business.

*Committee on Appropriations:* February 15, Subcommittee on Army Civil Functions, on flood-control planning and river and harbor planning, 10:30 a. m., room F-39, Capitol.

*Committee on Armed Services:* February 16, Subcommittee on Real Estate and Military Construction, on pending real-estate projects, 9:30 a. m., room 212, Senate Office Building.

February 18, full committee, on H. R. 5337, Air Force Academy bill, 10 a. m., room 212, Senate Office Building.

*Committee on Banking and Currency:* February 16 and 17, Securities, Insurance, and Banking Subcommittee, on S. 975, Federal savings and loan branches, 10 a. m., room 301, Senate Office Building.

*Committee on the District of Columbia:* February 19, Subcommittee on Transit Investigation, 10 a. m., room P-38, Capitol.

*Committee on Foreign Relations:* February 16, executive, to hear Acting Secretary of State Walter Bedell Smith and Adm. Arthur W. Radford, Chairman of the Joint Chiefs of Staff, discuss the situation in Indochina.

*Committee on Interior and Insular Affairs:* February 16, Minerals, Materials, and Fuels Economic Subcommittee, on nickel, room P-38, Capitol; February 15 through 19, Indian Affairs Subcommittee, as follows:

February 15, on S. 2670 and H. R. 7390, Utah Indians;

February 16, on S. 2744, H. R. 6382, and H. R. 6547, Texas Indians;

February 17, on S. 2746 and H. R. 7313, Western Oregon Indians; and